

OCT 20 2008

Prepared by:

John N. Malyska, Esq.



M CLAIRE FRENCH, CLERK  
MONMOUTH COUNTY, NJ  
INSTRUMENT NUMBER  
2008110174  
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Total Pages: 35

35

## MORTGAGE AND SECURITY AGREEMENT ON PROPERTY IN ALLENHURST, MONMOUTH COUNTY, NEW JERSEY

Date: as of October 10, 2008

**MORTGAGEE:** **BANCO POPULAR NORTH AMERICA**, a corporation organized and existing under the laws of the State of New York, with offices at 120 Broadway, 16<sup>th</sup> Floor, New York, New York 10271

**MORTGAGOR:** **SAMUEL CHERA AND ARLENE CHERA**, husband and wife, who reside at 229 Allen Avenue, Allenhurst, Monmouth County, New Jersey 07711

<b>MORTGAGED PREMISES</b>	Municipality: Borough of Allenhurst
	County: Monmouth
	State: New Jersey 07711
	Common Name: 229 Allen Avenue
	Allenhurst, Monmouth County, New Jersey 07711

Tax Map Designation: **Tax Block 15, Lot 15**  
Allenhurst, Monmouth County, New Jersey

Legal Designation: Attached hereto as **Schedule "A"**

### 1. DEBT, LOAN DOCUMENTS.

1.1 (a) **KIDS WORLD OF THE BRONX, INC., d/b/a KIDS R US OF THE BRONX, INC.** (Borrower) is indebted to Mortgagee in the principal sum of **TWO MILLION SIX HUNDRED THIRTY-TWO THOUSAND FIVE HUNDRED SIXTY-SIX AND 95/100 (\$2,632,566.95) DOLLARS**, together with interest thereon, the foregoing being owed under a certain **term loan** in the amount of **TWO MILLION SIX HUNDRED THIRTY-TWO THOUSAND FIVE HUNDRED SIXTY-SIX AND 95/100 (\$2,632,566.95) DOLLARS** (such term loan, together with all extensions, modifications [including modifications increasing or decreasing the amount thereof], refinancings, replacements, renewals and/or redatings thereof, being hereinafter collectively called the "**Term Loan**").

(b) The **Term Loan** is evidenced by Borrower's certain **TWO MILLION SIX HUNDRED THIRTY-TWO THOUSAND FIVE HUNDRED SIXTY-SIX AND**

**IN WITNESS WHEREOF**, Mortgagor, intending to be legally bound, has duly executed and delivered this Mortgage and Security Agreement as of the day and year first above written.

WITNESS:



SAMUEL CHERA

WITNESS:



ARLENE CHERA



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Prepared by:

  
John N. Malyska, Esq.<sup>\*</sup>

**RESTATEMENT AND AMENDMENT OF MORTGAGE  
WHICH WAS DATED OCTOBER 10, 2008, AND WAS RECORDED  
AS INSTRUMENT NO. 2008110174, ON OCTOBER 20, 2008, IN  
MONMOUTH COUNTY MORTGAGE BOOK NO. OR-8743,  
AT PAGE 9046 ET SEQ.**

**AFFECTING PROPERTY DESIGNATED AS  
229 ALLEN AVENUE (TAX BLOCK 15, LOT 15) ON THE TAX MAPS OF  
BOROUGH OF ALLENHURST, MONMOUTH COUNTY, NEW JERSEY**

Date: as of May 18, 2009

**MORTGAGEE:** BANCO POPULAR NORTH AMERICA, a corporation organized and existing under the laws of the State of New York, with offices at 120 Broadway, 16<sup>th</sup> Floor, New York, New York 10271

**MORTGAGOR:** SAMUEL CHERA AND ARLENE CHERA, husband and wife, who reside at 229 Allen Avenue, Allenhurst, Monmouth County, New Jersey 07711

**MORTGAGED  
PREMISES**

M CLAIRE FRENCH, CTY CLK  
MONMOUTH COUNTY, NJ

INSTRUMENT NUMBER  
**2009067999**

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**Jun 17, 2009**

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Total Pages: 36

COUNTY RECORDING \$390.00

FEES

TOTAL PAID \$390.00

Municipality:	Borough of Allenhurst
County:	Monmouth
State:	New Jersey 07711
Common Name:	229 Allen Avenue Allenhurst, Monmouth County, New Jersey 07711

JUN 16 2009

Tax Map Designation: **Tax Block 15, Lot 15**  
Allenhurst, Monmouth County, New Jersey

Legal Designation: Attached hereto as Schedule "A"

**WITNESSES THAT:**

(a) WHEREAS, as more fully set forth in the first above captioned Mortgage and Security Agreement dated October 10, 2008, and recorded as Instrument No. 2008110174, on October 20, 2008, in Monmouth County Mortgage Book No. OR-8743, at Page 9046 *et seq.* (hereinafter the "2008 Mortgage"), KIDS WORLD OF THE BRONX, INC., d/b/a KIDS WORLD, a New York corporation bearing Federal Employer Identification Number 13-3220606

and with its principal place of business located at 39 East Fordham Road, Bronx, New York 10468 (“**KIDS WORLD- BRONX**”) was indebted to Mortgagee in (1) the principal sum of **\$2,632,566.95**, together with interest thereon, owed under a certain term loan in like amount (such term loan being the “Term Loan” defined in the 2008 Mortgage) and (2) the principal sum of **\$2,000,000.00**, together with interest thereon, owed under a certain line of credit loan in like amount (such line of credit loan being the “Line of Credit” defined in the 2008 Mortgage);

(b) **WHEREAS**, as security for the payment and performance to Mortgagee of the aforesaid Term Loan and the aforesaid Line of Credit, Mortgagee has received various guaranties including that certain instrument of guaranty dated as of September 11, 2007, and given by Mortgagor **Samuel Chera** (such guaranty of Mortgagor **Samuel Chera** being hereinafter called the “**2007 Guaranty**”);

(c) **WHEREAS**, the 2008 Mortgage directly secured the payment and performance of the aforesaid Term Loan and the aforesaid Line of Credit and also secured Mortgagor **Samuel Chera**’s obligations under the **2007 Guaranty**;

(d) **WHEREAS**, on the date hereof, the principal sum of **\$1,798,920.86** is outstanding on the aforementioned **\$2,632,566.95** “Term Loan and the principal sum of **\$2,000,000.00** is outstanding on the aforementioned **\$2,000,000.00** “Line of Credit”;

(e) **WHEREAS, KIDS WORLD-BRONX** and its affiliated entity **KIDS WORLD OF BAY PLAZA INC.**, a New York corporation bearing Federal Employer Identification Number 13-3676762 and with its principal place of business located at 2160 Bartow Avenue, Bronx, New York 10475 (“**KIDS WORLD-BAY PLAZA**”) seek to combine the aforesaid outstanding Term Loan principal balance of **\$1,798,920.86** and the aforesaid outstanding Line of Credit principal balance of **\$2,000,000.00** into one term loan having an initial outstanding principal amount of **\$3,798,920.86** (such term loan, together with all extensions, modifications [including without limitation increases and/or decreases in the amount thereof], refinancings, replacements, renewals and/or redatings thereof in effect from time to time, hereinafter collectively the “**Loan**”);

(f) **WHEREAS, KIDS WORLD- BRONX and KIDS WORLD-BAY PLAZA** are hereinafter collectively referred to as “**Borrowers**” and each hereinafter individually referred to as a “**Borrower**”;

(g) **WHEREAS, Borrowers have also heretofore received from Mortgagee the benefits of Mortgagee’s Standby Letter of Credit #91-097-20-10302 as amended through Amendment No. 18 dated December 23, 2008, in the amount of \$410,000, and issued by Mortgagee for the benefit of Dornhage Realty Co., Inc., and for the account of Borrowers, so as to guarantee lease payments for Borrowers’ store at 39 East Fordham Road, Bronx, New York (such letter of credit, together with all extensions, modifications [including without limitation increases and/or decreases in the amount thereof], refinancings, replacements, renewals and/or redatings thereof in effect from time to time, hereinafter collectively the “**Letter of Credit**”);**

**IN WITNESS WHEREOF**, Mortgagor, intending to be legally bound, has duly executed and delivered this Mortgage and Security Agreement as of the day and year first above written.

**WITNESS:**

Kenni Osorio

Samuel C

**SAMUEL CHERA**

**WITNESS:**

Kenni Osorio

Arlene Chera

**ARLENE CHERA**

Not Certified Copy